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AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Board of Governors, Uranium City Hospital as at March 31, 2000 and the statements of operations and changes in fund balances, and cash flow for the year then ended. The Hospital's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board of Governors, Uranium City Hospital as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles.

Regina, Saskatchewan
August 18, 2000

Fred Wendel, CMA, CA
Acting Provincial Auditor

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF FINANCIAL POSITION
As at March 31

	Restricted			Total	
	Operating Fund	Capital Fund	Athabasca Health Facility Project (Note 8)	2000	1999
ASSETS					
Current assets:					
Cash	$ —	$ —	$ 41,556	$ 41,556	$ 9,176
Receivables					
Saskatchewan Health - General Revenue Fund	—	—	—	—	19,450
Patient services and recoveries	33,678	—	—	33,678	51,775
Inventories (Note 3)	44,798	—	—	44,798	69,966
Prepaid expense	20,890	—	—	20,890	7,884
	99,366	—	41,556	140,922	158,251
Capital assets (Note 4)	—	54,660	—	54,660	46,908
	$ 99,366	$ 54,660	$ 41,556	$ 195,582	$ 205,159
LIABILITIES					
Current liabilities:					
Bank Overdraft	$ 18,592	$ —	$ —	$ 18,592	$ 90,471
Accounts payable (Note 8)	56,801	—	41,556	98,357	57,375
Accrued salaries and vacation pay	38,100	—	—	38,100	121,068
	113,493	—	41,556	155,049	268,914
Long term advance (Note 5)	85,000	—	—	85,000	85,000
	198,493	—	41,556	240,049	353,914
EQUITY					
Fund balances:					
Investment in capital assets	—	54,660	—	54,660	46,908
Externally restricted (Note 2(a)(iii))	—	—	—	—	36,698
Unrestricted	(99,127)	—	—	(99,127)	(232,361)
Fund balances: Statement 2	(99,127)	54,660	—	(44,467)	(148,755)
	$ 99,366	$ 54,660	$ 41,556	$ 195,582	$ 205,159

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
Year Ended March 31

	2000				1999
		Restricted Fund			
	Operating Fund	Capital Fund	Athabasca Health Facility Project (Note 8)	Total	Total
Revenues:					
Saskatchewan Health - General Revenue Fund	$1,654,371	$ —	$ —	$1,654,371	$ 1,500,893
Out-of-province/third party recoveries	12,408	—	—	12,408	18,977
Income and recoveries	30,759	—	—	30,759	35,462
Interest income	590	—	—	590	8,477
Ancillary operations	24,201	—	—	24,201	34,668
	1,722,329	—	—	1,722,329	1,598,477
Expenses:					
Administration	276,487	8,845	—	285,332	344,296
Housekeeping and laundry	61,010	—	—	61,010	54,986
Maintenance	189,622	—	—	189,622	229,478
Medical records	63,634	—	—	63,634	105,663
Dietary	105,947	—	—	105,947	87,498
Acute care	676,231	—	—	676,231	815,046
Laboratory and x-ray	119,469	—	—	119,469	119,043
Ancillary operations	80,098	—	—	80,098	72,134
Athabasca Health Facility (Note 8)	—	—	36,698	36,698	247,688
	1,572,498	8,845	36,698	1,618,041	2,075,832
Excess (deficiency) of revenues over expenses	149,831	(8,845)	(36,698)	104,288	(477,355)
Fund balances, beginning of year	(232,361)	46,908	36,698	(148,755)	328,600
Transfer between funds (Note 10)	(16,597)	16,597	—	—	—
Fund balances at end of year	$ (99,127)	$ 54,660	$ —	$ (44,467)	$ (148,755)

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
STATEMENT OF CASH FLOW
Year Ended March 31

	Operating Funds		Restricted Funds			
	2000	1999	Capital Fund	Athabasca Health Facility Project (Note 8)	2000	1999
Cash provided by (used in):	Operating Activities		Financing and Investing Activities			
Excess (deficiency) of revenue over expenses	$ 149,831	$ (203,352)	$ (8,845)	$ (36,698)	$ (45,543)	$ (274,003)
Non-cash expense - amortization of capital assets	—	—	8,845	—	8,845	26,315
Net change in non-cash working capital (Note 11)	(61,355)	51,016	—	69,078	69,078	(61,177)
	88,476	(152,336)	—	32,380	32,380	(308,865)
Purchase of capital assets	—	—	(16,597)	—	(16,597)	(3,729)
Proceeds from disposal of capital assets	—	—	—	—	—	—
	—	—	(16,597)	—	(16,597)	(3,729)
Net (decrease) increase in cash	88,476	(152,336)	(16,597)	32,380	15,783	(312,594)
Interfund transfers (Note 10)	(16,597)	(3,729)	16,597	—	16,597	3,729
Cash, beginning of year	(90,471)	65,594	—	9,176	9,176	318,041
Cash, end of year	$ (18,592)	$ (90,471)	$ —	$ 41,556	$ 41,556	$ 9,176

(See accompanying notes to the financial statements)

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2000

1. Authority

The Board of Governors, Uranium City Hospital was established June 5, 1995 by Order in Council #508/95 under *The Public Health Act* to operate the Uranium City Hospital.

The Minister of Municipal Government held the net assets and operated the Hospital on behalf of the Northern Settlement of Uranium City prior to establishment of the Board. By Order dated April 25, 1996, under Section 120 (1) of *The Northern Municipalities Act*, the Minister transferred the net assets to the Board effective June 5, 1995 for no monetary consideration.

As of August 8, 1999 inpatient services at the Uranium City Hospital were suspended due to staff shortages.

2. Significant accounting policies

These financial statements have been prepared in accordance with generally accepted accounting principles. Significant accounting policies are summarized as follows:

a) Fund accounting

The accounts of the Board are maintained in accordance with the principles of restricted fund accounting. For financial reporting purposes, accounts with similar characteristics have been combined into the following major funds:

i) Operating fund

The operating fund reflects the primary operations of the Board including revenues received for provision of health services from Saskatchewan Health - General Revenue Fund, and billings to patients, clients, and other agencies for patient and client services. Other revenue consists of recoveries and ancillary operations. Expenses are for the delivery of health services.

ii) Capital fund

The capital fund reflects the equity of the Board in capital assets. The capital fund includes revenues received from Saskatchewan Health – General Revenue Fund designated for the acquisition of capital assets. Expenses consist of amortization of capital assets.

iii) Athabasca Health Facility Project

The Athabasca Health Facility Project reflects a capital grant from Saskatchewan Health - General Revenue Fund designated for the capital construction of the Athabasca Health Facility. Expenses consist of project management costs and architect fees. As of March 31, 2000 the responsibility for the Athabasca Health Facility Project was transferred back to Saskatchewan Health.

b) Inventories

Inventory consists of medical and surgical, pharmacy, laboratory, food, linen and other supplies.

Inventories are valued at the lower of cost and net realizable value, with cost determined by the first-in first-out (FIFO) method.

c) Capital assets

Capital assets are recorded at cost. Cost is amortized over the useful life of the asset.

Amortization has been taken on the straight-line basis at the rate of 10% - 20% on equipment. The building is amortized on a straight line basis over its useful life.

d) Revenue

Contributions, including operating and capital funding from Saskatchewan Health - General Revenue Fund, are included in revenue in the year in which they are received or receivable.

3. Inventories

	2000	1999
Drugs	$ 25,334	$ 37,900
General supplies	11,855	18,242
Medical and surgical supplies	7,609	13,824
	$ 44,798	$ 69,966

4. Capital Assets

	2000			1999
	Cost	Accumulated Amortization	Net Carrying Amount	Net Carrying Amount
Land	$ 4,295	$ —	$ 4,295	$ 4,295
Building	1,444,979	1,444,979	—	—
Equipment	480,387	430,022	50,365	42,613
	$ 1,929,661	$ 1,875,001	$ 54,660	$ 46,908

5. Long Term Advance

The advances received from Saskatchewan Health - General Revenue Fund are interest free and repayable at the discretion of Saskatchewan Health. Therefore, the fair value of the long term advance approximates its carrying value.

6. Related party transactions

Included in these financial statements are transactions with related parties. These related parties include various Saskatchewan Crown Corporations, departments, agencies, boards and commissions related to the Board by virtue of common control by the Government of Saskatchewan and non-crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan.

Routine operating transactions with related parties are settled at standard rates charged by the organizations under normal trade terms. These transactions and amounts outstanding at year end are included in the financial statements and the table below:

	2000	1999
Prepaid expenses	$ 6,068	$ 5,534
Accounts payable and accrued liabilities	50,068	3,107
Expenses	83,162	199,271

In addition, the Board pays Saskatchewan Education and Health Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

Other amounts and transactions due to and from related parties and the terms of settlement are described separately in these financial statements and the notes thereto.

7. Pensions

Employees of the Board participate in the retirement plan of the Saskatchewan Association of Health Organizations (a related party) which is a multi-employer defined benefit pension plan. The Board's financial obligation to the plan is limited to making required payments to match amounts contributed by employees for current services. Pension expense for the year amounted to $17,948 (1999 - $26,428).

8. Athabasca Health Facility Project

The Board entered into an agreement with Saskatchewan Health on March 31, 1997. The agreement calls for Saskatchewan Health to provide funding to the Board for the purpose of administering the following agreements pertaining to the Athabasca Health Facility Project:

a) the Project Management Agreement between the Board and Cascade and Associates; and

b) the client/architect Agreement CCDC-6 between the Board and MANASC Architects Ltd.

During the year, the project was completed and the Board extinguished its responsibility for it. The unspent funds totalling $41,556 relate to a goods and services tax rebate for the Athabasca Health Facility Project. This amount has been set up as a payable to Athabasca Health Authority.

9. Financial instruments

a) Significant terms and conditions

There are no significant terms and conditions related to financial instruments classified as current assets or current liabilities that may affect the amount, timing and certainty of future cash flows. Significant terms and conditions for the other financial instruments are disclosed separately in these financial statements.

b) Credit risk

The Board is exposed to credit risk from the potential non-payment of accounts receivable. The majority of the Board's receivables are with many customers, therefore credit risk is minimal.

c) Fair value

The carrying amount of these financial instruments approximate fair value due to their immediate or short-term nature.

- cash
- accounts receivable
- bank overdraft
- accounts payable
- accrued salaries and vacation pay

10. Interfund Transfers

Interfund transfers consist of funds transferred from the Operating Fund to the Capital Fund to finance the purchase of capital assets.

11. Net Change in Non-Cash Working Capital

	Operating Funds		Restricted Funds			
	2000	1999	Capital Fund	Athabasca Health Facility Project	2000	1999
Decrease (increase) in receivables	$ 6,160	$ (8,300)	$ —	$ 31,387	$ 31,387	$ (31,387)
Decrease in inventories	25,168	5,898	—	—	—	—
(Increase) decrease in prepaid expense	(13,006)	13,358	—	—	—	—
(Decrease) increase in accounts payable	(79,677)	40,060	—	37,691	37,691	(29,790)
	$ (61,355)	$ 51,016	$ —	$ 69,078	$ 69,078	$ (61,177)

Schedule 1

BOARD OF GOVERNORS, URANIUM CITY HOSPITAL
SCHEDULE OF EXPENSES BY OBJECT
For the year ended March 31

	2000	1999
Salaries and other benefits	$ 914,153	$ 1,152,881
Medical, surgical, drugs and other patient supplies	91,713	112,029
Utilities	121,947	147,518
Repairs and maintenance	10,296	24,272
Dietetic/food supplies	23,919	15,118
Amortization expense	8,845	26,315
Staff education and travel	107,309	118,916
Other		
- Board expenses	60,054	59,634
- Administrative	160,547	96,836
- Laundry and linen	3,109	879
- Housekeeping	367	1,612
- Ancillary operations	79,084	72,134
Athabasca Health Facility Project	36,698	247,688
	$ 1,618,041	$ 2,075,832